



DRA

*Division of Ratepayer Advocates
California Public Utilities Commission*

Dana S. Appling, Director

505 Van Ness Avenue
San Francisco, CA 94102
Phone: (415) 703-2544
Fax: (415) 703-2057

<http://ora.ca.gov>

May 5, 2006

A. 06-01-005

TO ALL INTERESTED PARTIES:

Enclosed are copies of the Cost of Capital report and Results of Operations report prepared by the Division of Ratepayer Advocates (DRA) on Application 06-01-005 filed by California American Water Company (Cal Am) for its Los Angeles district on January 9, 2006 requesting a general rate increase. This Results of Operations report addresses Cal Am's Special Requests #1, #4 and #7. Special Requests #2, #5 and #6 will be addressed in its reply testimony to Cal Am's new rate design proposal and Special Request #3 was withdrawn by Cal Am.

If you have any concerns about the subject of DRA's reports, you may make your views known at the beginning of the first day of hearings or you may notify the assigned Administrative Law Judge about your concerns in writing, within 15 days from the date of this letter, at the following address:

Administrative Law Judge Christine Walwyn
California Public Utilities Commission
Room 5008
505 Van Ness Avenue
San Francisco, CA 94102

Very truly yours,

Yoke Chan
Project Manager
Division of Ratepayer Advocates
Water Branch

Enclosure